



General Assembly

**Substitute Bill No. 425**

February Session, 2012

\* \_\_\_\_SB00425PH\_\_\_\_033012\_\_\_\_ \*

**AN ACT CONCERNING A BASIC HEALTH PROGRAM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) (a) Not later than January 1,  
2       2014, the Special Advisor to the Governor on Healthcare Reform, in  
3       consultation with the Commissioner of Social Services, shall, within  
4       available appropriations, establish and implement a basic health  
5       program in accordance with Section 1331 of the federal Affordable  
6       Care Act. On and after January 1, 2014, all individuals under sixty-five  
7       years of age with income not exceeding two hundred per cent of the  
8       federal poverty level, and who are ineligible for medical assistance  
9       pursuant to Title XIX of the Social Security Act, and otherwise eligible  
10      for medical assistance under Section 1331 of the Affordable Care Act,  
11      shall be eligible for medical assistance under a basic health program.  
12      For purposes of this section and section 5 of this act, "Affordable Care  
13      Act" means the Patient Protection and Affordable Care Act, P.L. 111-  
14      148, as amended by the Health Care and Education Reconciliation Act,  
15      P.L. 111-152, as both may be amended from time to time, and  
16      regulations adopted thereunder.

17      (b) Medical assistance provided through the basic health program  
18      shall include the benefits, limits on cost-sharing and other consumer  
19      safeguards that apply to medical assistance provided in accordance  
20      with Title XIX of the Social Security Act, unless the special advisor

21 determines that the cost of medical assistance provided to enrollees in  
22 the basic health program will exceed the federal subsidies available to  
23 the state to fund the program. If the special advisor so determines, the  
24 special advisor, in consultation with the commissioner, shall develop  
25 and submit a plan, in accordance with section 2 of this act, for the basic  
26 health program that maximizes benefits and minimizes cost-sharing,  
27 utilizing funds available from federal subsidies and not using state  
28 funds to fund the program.

29 (c) To the extent that federal funds received for the basic health  
30 program exceed the cost of medical assistance that would otherwise be  
31 provided to program enrollees pursuant to Title XIX of the Social  
32 Security Act, the Commissioner of Social Services, to the extent  
33 permitted under federal law, shall use the excess of such federal funds  
34 to increase reimbursement rates for providers serving enrollees  
35 receiving benefits pursuant to the basic health program. The  
36 Commissioner of Social Services, in consultation with the special  
37 advisor, shall increase reimbursement rates so as to maximize access to  
38 needed health services. The Commissioner of Social Services, in  
39 consultation with the special advisor, shall establish a committee  
40 charged with making recommendations to (1) keep provider rates  
41 competitive, (2) provide payment incentives that increase access to  
42 primary care offices as an alternative to emergency room care, and (3)  
43 streamline paperwork. The committee shall be comprised of  
44 representatives of the Department of Social Services, Office of Health  
45 Reform and Innovation and providers who participate in the basic  
46 health program and Medicaid.

47 (d) The Special Advisor to the Governor on Healthcare Reform, in  
48 consultation with the Commissioner of Social Services, shall take all  
49 necessary actions to maximize federal funding and seek any necessary  
50 approvals from the federal government in connection with the  
51 establishment of a basic health program.

52 Sec. 2. (*Effective from passage*) (a) Not later than November 1, 2012,  
53 the Special Advisor to the Governor on Healthcare Reform, in

54 consultation with the Commissioner of Social Services, shall submit a  
55 plan for the establishment and implementation of a basic health  
56 program to the joint standing committees of the General Assembly  
57 having cognizance of matters relating to public health, human services,  
58 and appropriations and the budgets of state agencies.

59 (b) Not later than thirty days after the date of their receipt of such  
60 plan, the joint standing committees shall hold a public hearing. At the  
61 conclusion of the public hearing, the joint standing committees shall  
62 advise the special advisor of their approval, denial or modifications, if  
63 any, of the plan.

64 (c) If the joint standing committees do not concur, the committee  
65 chairpersons shall appoint a committee of conference which shall be  
66 composed of three members from each joint standing committee. At  
67 least one member appointed from each joint standing committee shall  
68 be a member of the minority party. The report of the committee of  
69 conference shall be made to each joint standing committee, which shall  
70 vote to accept or reject the report. The report of the committee of  
71 conference may not be amended. If a joint standing committee rejects  
72 the report of the committee of conference, that joint standing  
73 committee shall notify the special advisor of the rejection and the  
74 special advisor's plan shall be deemed approved. If the joint standing  
75 committees accept the report, the committee having cognizance of  
76 matters relating to appropriations and the budgets of state agencies  
77 shall advise the special advisor of their approval, denial or  
78 modifications, if any, of the special advisor's plan. If the joint standing  
79 committees do not so advise the special advisor during the thirty-day  
80 period, the plan shall be deemed approved. Any plan submitted to the  
81 federal government pursuant to this section shall be in accordance  
82 with the approval or modifications, if any, of the joint standing  
83 committees of the General Assembly having cognizance of matters  
84 relating to public health, human services, and appropriations and the  
85 budgets of state agencies.

86 Sec. 3. Subsection (a) of section 17b-261 of the 2012 supplement to

87 the general statutes is repealed and the following is substituted in lieu  
88 thereof (*Effective from passage*):

89 (a) Medical assistance shall be provided for any otherwise eligible  
90 person whose income, including any available support from legally  
91 liable relatives and the income of the person's spouse or dependent  
92 child, is not more than one hundred forty-three per cent, pending  
93 approval of a federal waiver applied for pursuant to subsection (e) of  
94 this section, of the benefit amount paid to a person with no income  
95 under the temporary family assistance program in the appropriate  
96 region of residence and if such person is an institutionalized  
97 individual as defined in Section 1917(c) of the Social Security Act, 42  
98 USC 1396p(c), and has not made an assignment or transfer or other  
99 disposition of property for less than fair market value for the purpose  
100 of establishing eligibility for benefits or assistance under this section.  
101 Any such disposition shall be treated in accordance with Section  
102 1917(c) of the Social Security Act, 42 USC 1396p(c). Any disposition of  
103 property made on behalf of an applicant or recipient or the spouse of  
104 an applicant or recipient by a guardian, conservator, person  
105 authorized to make such disposition pursuant to a power of attorney  
106 or other person so authorized by law shall be attributed to such  
107 applicant, recipient or spouse. A disposition of property ordered by a  
108 court shall be evaluated in accordance with the standards applied to  
109 any other such disposition for the purpose of determining eligibility.  
110 The commissioner shall establish the standards for eligibility for  
111 medical assistance at one hundred forty-three per cent of the benefit  
112 amount paid to a family unit of equal size with no income under the  
113 temporary family assistance program in the appropriate region of  
114 residence. Except as provided in section 17b-277, the medical  
115 assistance program shall provide coverage to persons under [the age  
116 of] nineteen years of age with family income up to one hundred  
117 eighty-five per cent of the federal poverty level without an asset limit  
118 and to persons under [the age of] nineteen years of age and their  
119 parents and needy caretaker relatives, who qualify for coverage under  
120 Section 1931 of the Social Security Act, with family income up to one

121 hundred eighty-five per cent of the federal poverty level without an  
122 asset limit. On and after January 1, 2014, and contingent upon the  
123 implementation of a basic health program with the same benefits,  
124 limits on cost sharing and other consumer safeguards provided under  
125 Title XIX of the Social Security Act, coverage shall be provided to  
126 parents and needy caretaker relatives of persons under nineteen years  
127 of age, who qualify for coverage under Section 1931 of the Social  
128 Security Act, with family income up to one hundred thirty-three per  
129 cent of the federal poverty level without an asset limit. Such levels  
130 shall be based on the regional differences in such benefit amount, if  
131 applicable, unless such levels based on regional differences are not in  
132 conformance with federal law. Any income in excess of the applicable  
133 amounts shall be applied as may be required by said federal law, and  
134 assistance shall be granted for the balance of the cost of authorized  
135 medical assistance. The Commissioner of Social Services shall provide  
136 applicants for assistance under this section, at the time of application,  
137 with a written statement advising them of (1) the effect of an  
138 assignment or transfer or other disposition of property on eligibility  
139 for benefits or assistance, (2) the effect that having income that exceeds  
140 the limits prescribed in this subsection will have with respect to  
141 program eligibility, and (3) the availability of, and eligibility for,  
142 services provided by the Nurturing Families Network established  
143 pursuant to section 17b-751b. Persons who are determined ineligible  
144 for assistance pursuant to this section shall be provided a written  
145 statement notifying such persons of their ineligibility and advising  
146 such persons of the availability of HUSKY Plan, Part B health  
147 insurance benefits.

148 Sec. 4. (*Effective from passage*) For the fiscal years ending June 30,  
149 2014, and June 30, 2015, fifty per cent of any savings from reducing  
150 coverage for HUSKY Plan, Part A parents and needy caretaker  
151 relatives to those with family incomes not greater than one hundred  
152 thirty-three per cent of the federal poverty level shall be used to  
153 increase reimbursement rates for providers serving individuals  
154 receiving benefits pursuant to the basic health program.

155 Reimbursement rates shall be increased pursuant to this section so as  
 156 to maximize individuals' access to needed health care services.

157       Sec. 5. (NEW) (*Effective from passage*) There is established an account  
 158 to be known as the "basic health program account", which shall be a  
 159 separate, nonlapsing account within the General Fund. The account  
 160 shall contain any moneys required by law to be deposited in the  
 161 account. Moneys in the account shall be expended by the  
 162 Commissioner of Social Services, in consultation with the Special  
 163 Advisor to the Governor on Healthcare Reform, for the purposes of  
 164 operating a basic health plan in accordance with Section 1331 of the  
 165 Affordable Care Act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	17b-261(a)
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section

**Statement of Legislative Commissioners:**

In section 1(c), in the first sentence, "commissioner" was changed to "Commissioner of Social Services" for consistency of reference in said section; in the second sentence of section 2(b), "a public hearing" was changed to "the public hearing," for clarity; and in the last sentence of section 5, "in conformance with" was changed to "in accordance with" for accuracy and statutory consistency.

**PH**           *Joint Favorable Subst.*